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OREGON LABOR TRENDS

Prepared by Research and Statistics Section
STATE OF OREGON • EMPLOYMENT DIVISION • DEPARTMENT OF HUMAN RESOURCES
APRIL 1983

MARCH INDICATORS

UNEMPLOYMENT RATE

Oregon	S.A.	Raw
Mar. '83	11.0	12.2
Feb. '83	11.6	13.1
U.S.		
Mar. '83	10.3	10.8
Feb. '83	10.4	11.3

WAGE AND SALARY EMPLOYMENT INDEX

Oregon	1977=100
Mar. 1983:	101.5
Feb. 1983:	101.6
Mar. 1982:	103.4
Mar. 1981:	110.4
Mar. 1980:	114.0
Mar. 1979:	111.7

DIFFUSION INDEX

Oregon	
Mar. 1983:	47.7
Feb. 1983:	45.7
Jan. 1983:	44.2
Dec. 1982:	43.8

PRODUCTION WORKER AVERAGE WEEKLY HOURS

Oregon	
Feb. 1983:	38.3
Jan. 1983:	38.1
Feb. 1982:	37.8

CONSUMER PRICE INDEX (CPI)

1967=100
ALL URBAN CONSUMERS

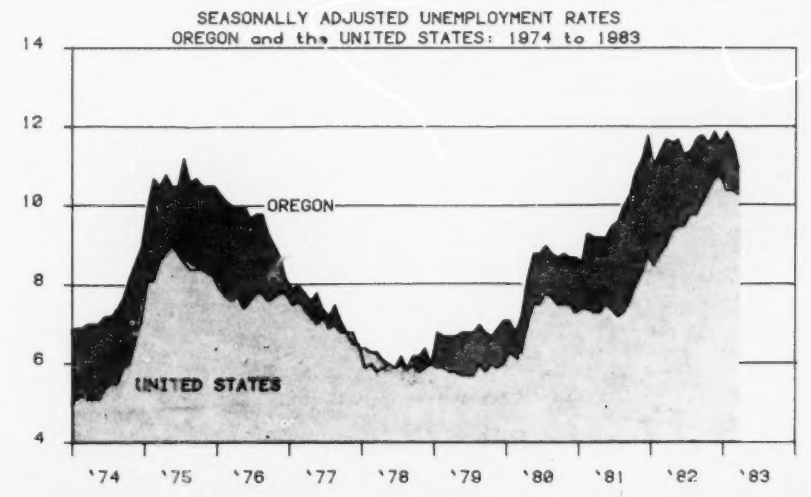
Portland SMSA	
Mar. 1983	284.7
Year Change	- 0.7%
U.S.	
Mar. 1983	293.4
Year Change	3.6%
Portland Hotline	221-4132

MORE GOOD NEWS

Following months - make that years-of depressing news about Oregon's economy, some good things are beginning to happen. The specter of the recession is beginning to lift and momentum is building for the long perilous journey to recovery. The latest economic indicators for Oregon tell the story.

The unemployment rate is probably the most closely watched indicator. Fortunately, the Oregon unemployment rate (seasonally adjusted) went down to 11.0% in March, a drop of .6 from February's 11.6%. Unfortunately, the rate of unemployment is not the best statistic to be reviewing at this stage of the business cycle. That is, the unemployment rate does not always respond quickly to a change for the better in the economy. Indeed, it frequently trails behind in a recovery phase. While we happily accept the rate reduction in March, we must acknowledge the fact that the unemployment rate will remain high (between 11-12%) throughout 1983.

The statistics on those who are working is more revealing. The Oregon Diffusion Index is a measure of the percentage of a selected group of industries showing "improvement" in seasonally adjusted employment. The index, because of literally three years of suppressed economic activity, has little place to go but up. Nevertheless, the Diffusion Index which rose to 47.7 in March has shown a fairly consistent rising trend for an extended period. Keep an eye on the Diffusion Index the next few months - past experience indicates that crossing the 50% line bodes well for better economic times.



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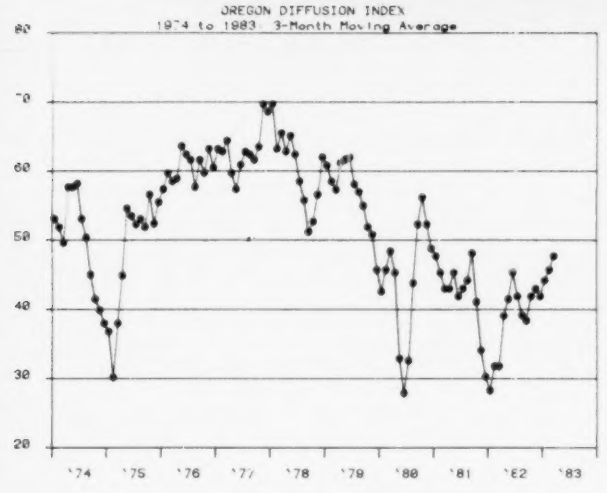
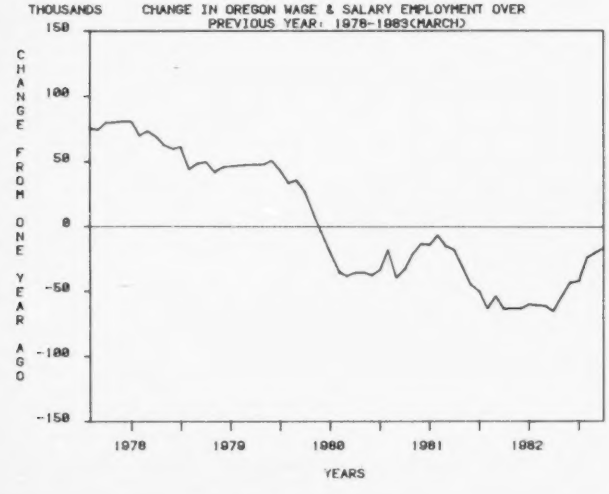


Total nonfarm employment, which moved up 6,100 to 939,600 in March, showed little change over the month when normal seasonal hiring patterns are considered. However, over the year comparisons make the March figures look much more favorable. The graph below shows employment for a given month compared to that of the same month a year earlier. In most of 1982 the year ago comparison showed 60,000 fewer workers employed. In recent months that figure has dropped sharply to a March 1983 nonfarm total which was 17,200 below the sum reported in 1982. Watch the year-to-year comparisons, too, for further evidence of an economy turning around.

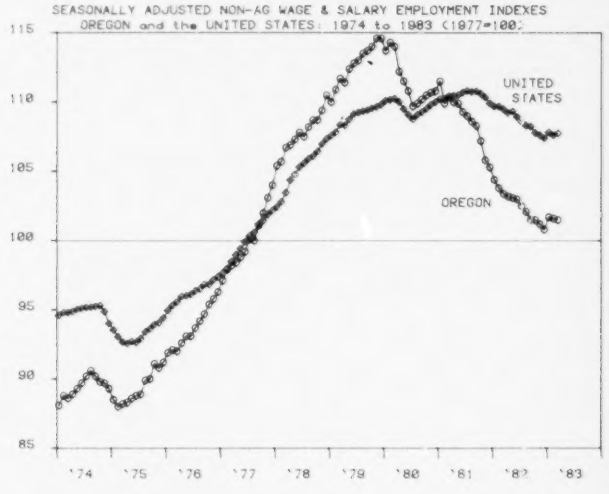


Certainly the high point of the March data was focused on the lumber and wood products sector. Lumber prices held up through the March survey period despite weeks of wet weather, an indication that confidence is spreading throughout the industry. In fact, lumber employment would have shown even greater strength in March had it not been for an early spring thaw which restricted access to the woods and created spot shortages of logs.

The activity in lumber and wood reflects the pickup of building activity in California and the midwest. Proof of that demand is visibly evident in southern Oregon on Interstate 5 where an incessant procession of trucks filled with 2 x 4's, plywood, and other Oregon wood products migrate south across the border.

Also noteworthy in the March employment figures was the addition of 2,300 workers in trade. The bulk of the increase fell, as seasonally expected, in the eating and drinking category. Wholesale trade employers have also been adding workers in preparation for remodeling and home construction work expected this spring.

Construction hiring fell 500 short of the normal seasonal upswing in March. The wet weather was undoubtedly a contributing factor. Nevertheless, construction employment has a long way to go to erase the enormous employment deficit imposed by the recession.



Elsewhere, the March employment figures fell roughly in line with normal hiring patterns and that is pretty good news in itself considering the battering the state's economy has taken the last few years. The hard hit metals and machinery industries showed almost no change over the month, although a current energy surplus has resulted in lower power costs and therefore lower production costs to some major industrial customers.

For one more positive indicator turn to the article titled "Hours and Earnings" showing the trends exhibited in the production employe workweek average.

Certainly one must wonder whether Oregon's economy is truly on the mend. Analysts have emptied the shelves in recent years searching for the proper catalyst that would stimulate a shift towards economic prosperity. The strong emergence of the high technology industries which has broadened the state's industrial base and which in turn strengthened Oregon's resistance to an economic

downturn was frequently mentioned. But electronics employers, too, eventually bowed to the weight of the recession. Then there was tourism and the hope for droves of out of state vacationers ready to spend their money. Tourists who, with available and less costly gasoline, would have flocked to this scenic wonderland. But the recession touched the lives of all of us and many security conscious travelers shortened their trips and saved their money. And then there were the Federal tax cuts that were supposed to help prime the economy via consumer spending. But the actual dollars returned to the taxpayers were hardly noticeable and the hope of a consumer led recovery fell flat.

Recovery for Oregon is coming and it will be earned the old fashioned way - through the state's forest products sector. No matter where we look, a major share of Oregon's economic livelihood is still dependent on tne wood products industry which represents nearly one-third of the state's manufacturing core. And since Oregon's lumber and wood products industry is dependent on national building activity which in turn relies on interest rates, it is the interest rates that we cannot ignore. Undeniably, interest rates are down and that translates very quickly to "GO" in the lumber industry. At the national level industrial production has increased, housing starts and auto sales are up, and the nation's confidence in the economic climate is rising. Interest rates are the key and as long as they stay down the recovery that is just beginning will continue.□

AREA LABOR ECONOMISTS

You may contact the following labor economists for statewide and local area labor market information.

Oregon Statewide		
Gary Barker	378-8658	Salem
Jeff Hannum	378-8657	Salem
Tom Lynch	378-8656	Salem
Coos, Curry, Jackson, Josephine		
John Anderson	776-6068	Medford
Benton, Linn, Marion, Polk, Yamhill		
Jeff Hannum	378-8657	Salem
Tom McCarty	378-8657	Salem
Earl Fairbanks	378-8657	Salem
Crook, Deschutes, Gilliam, Hood River, Jefferson, Klamath, Lake, Sherman, Wasco, Wheeler		
Mike Mahan	883-5629	Klamath Falls
Douglas, Lane, Lincoln		
Ken Rocco	345-8710 x 45	Eugene
Clackamas, Clatsop, Columbia, Multnomah Tillamook, Washington, Clark		
Al Stoebig	229-5747	Portland
John Stone	229-5746	Portland
Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union, Wallowa		
Bill Street	963-7111	LaGrande

FEBRUARY 1983 UNEMPLOYMENT RATES BY STATE

State	February 1983 Rank	February 1983 Rate	February 1982 Rank	February 1982 Rate	State	February 1983 Rank	February 1983 Rate	February 1982 Rank	February 1982 Rate
West Virginia	1	21.0	2	13.1	Arkansas	27	10.6	14	10.7
Michigan	2	16.5	1	16.1	Montana	27	10.6	20	10.1
Alabama	3	16.1	3	12.9	District of Co	29	10.4	18	10.3
Ohio	4	14.5	8	12.2	Minnesota	30	10.3	38	7.8
Pennsylvania	5	14.1	12	11.0	North Carolina	31	10.2	30	8.9
Illinois	6	13.8	20	10.1	Utah	32	9.9	33	8.3
Tennessee	7	13.6	7	12.4	Colorado	33	9.5	41	7.1
Indiana	8	13.2	5	12.7	Florida	33	9.5	41	7.1
Oregon	9	13.1	3	12.9	New York	33	9.5	29	9.0
Idaho	10	13.0	10	11.5	New Jersey	36	9.1	26	9.3
Washington	11	12.8	6	12.5	North Dakota	37	8.9	44	6.7
Wisconsin	12	12.7	14	10.7	Maryland	38	8.8	27	9.2
Alaska	13	12.5	8	12.2	Texas	38	8.8	48	5.8
Kentucky	13	12.5	11	11.2	Oklahoma	40	8.6	51	4.5
Mississippi	15	12.4	13	10.9	Virginia	40	8.6	37	7.9
Nevada	15	12.4	23	9.7	Georgia	42	8.5	36	8.1
Rhode Island	17	12.1	17	10.4	New Hampshire	43	8.4	39	7.4
California	18	11.9	24	9.6	Connecticut	44	8.3	40	7.3
Louisiana	19	11.6	30	8.9	Delaware	44	8.3	16	10.5
South Carolina	19	11.6	18	10.3	Massachusetts	46	8.2	33	8.3
Arizona	21	11.3	33	8.3	Vermont	47	8.1	43	7.0
Missouri	21	11.3	20	10.1	Nebraska	48	7.9	46	6.3
Maine	23	10.9	25	9.5	South Dakota	49	7.6	47	6.2
Wyoming	23	10.9	50	5.2	Kansas	50	7.4	49	5.6
Iowa	25	10.8	27	9.2	Hawaii	51	5.6	45	6.5
New Mexico	25	10.8	32	8.4					

RESIDENT OREGON LABOR FORCE

	Mar. 1983 1/	Feb. 1983 2/	Change	% Change	Mar. 1982 5/
Civilian Labor Force 3/	1,327,000	1,317,000	+10,000	+0.8	1,314,100
Unemployment	161,500	172,500	-11,000	-6.4	167,100
Percent of Labor Force	12.2	13.1	xxx	xxx	12.7
Seasonally Adjusted Percent	11.0	11.6	xxx	xxx	11.7
Total Employment 4/	1,165,500	1,144,500	+21,000	+1.8	1,147,000

1/ Preliminary. 2/ Revised. 3/ Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job-holding and commuting. 4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants. 5/ Due to revised estimating procedures between December 1982 and January 1983, data for 1983 and that of previous years are not strictly comparable.

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT
(By Place of Work)

INDUSTRY	Mar. 1983 1/	Feb. 1983 2/	Mar. 1982	Change From Feb. 1983	Change From Mar. 1982
TOTAL 3/	939,600	933,500	956,800	6,100	-17,200
Wage & Salary Employment Index 4/	101.5	101.6	103.4	xxx	xxx
Diffusion Index 5/	47.7	45.7	31.8	xxx	xxx
Total Manufacturing	178,600	176,900	181,300	1,700	- 2,700
Durable Goods	129,600	127,700	132,100	1,900	- 2,500
Lumber & Wood Products	59,400	58,000	52,400	1,400	7,000
Logging & Sawmills	30,500	29,400	26,700	1,100	3,800
Veneer & Plywood	18,200	18,000	16,100	200	2,100
Millwork & Structural Wood	6,000	6,000	4,900	0	1,100
Mobile Homes	1,600	1,500	1,400	100	200
Other Wood Products	3,100	3,100	3,300	0	- 200
Furniture & Fixtures	2,600	2,600	2,200	0	400
Stone, Clay, Glass, & Concrete	3,100	2,900	3,200	200	-100
Primary Metals	7,000	7,000	9,100	0	- 2,100
Blast Furnaces, Iron & Steel	3,800	3,800	5,100	0	- 1,300
Nonferrous Metals	3,200	3,200	4,000	0	-800
Fabricated Metals	8,500	8,600	10,000	-100	- 1,500
Fabricated Structural Metals	3,400	3,500	3,800	-100	- 400
Other Fabricated Metals	5,100	5,100	6,200	0	- 1,100
Machinery	14,600	14,600	17,300	0	- 2,700
Electrical Equipment & Supplies	9,200	9,300	10,000	-100	- 800
Transportation Equipment	7,400	6,800	8,100	600	- 700
Instruments & Related Products	15,500	15,600	17,300	-100	- 1,800
Miscellaneous Manufacturing	2,300	2,300	2,500	0	- 200
Nondurable Goods	49,000	49,200	49,200	-200	- 200
Food & Kindred Products	20,300	20,400	19,700	-100	600
Canning & Preserving	10,600	10,300	9,800	300	800
Other Food Products	9,700	10,100	9,900	-400	- 200
Textile Mill Products	1,600	1,600	1,800	0	- 200
Apparel	2,700	2,700	2,600	0	100
Paper & Allied Products	9,200	9,300	9,800	-100	- 600
Printing & Publishing	10,000	10,000	10,100	0	- 100
Chemicals & Allied Products	2,000	2,000	2,200	0	- 200
Petroleum Refining	500	400	400	100	100
Rubber & Plastic Products	2,400	2,500	2,300	-100	100
Leather Products	300	300	300	0	0

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT
(By Place of Work)

INDUSTRY	Mar. 1983	Feb. 1983	Mar. 1982	Change From Feb. 1983	Change From Mar. 1982
(cont.)					
Total Nonmanufacturing	761,000	756,600	775,500	4,400	-14,500
Mining & Quarrying	1,200	1,100	1,800	100	- 600
Construction	24,200	23,900	27,300	300	- 3,100
Transportation, Communications, & Utilities	54,900	55,300	56,300	-400	- 1,400
Transportation	31,000	31,400	31,200	-400	- 200
Railroad	5,600	5,600	6,200	0	- 600
Trucking & Warehousing	15,800	16,200	15,100	-400	700
Other Transportation	9,600	9,600	9,900	0	- 300
Communications	15,000	15,000	16,100	0	- 1,100
Utilities	8,900	8,900	9,000	0	- 100
Trade	233,600	231,300	234,900	2,300	- 1,300
Wholesale Trade	59,000	58,900	62,500	100	- 3,500
Durable Goods	35,000	34,900	37,900	100	- 2,900
Nondurable Goods	24,000	24,000	24,600	0	- 600
Retail Trade	174,600	172,400	172,400	2,200	2,200
General Merchandise	23,800	23,700	22,900	100	900
Food Stores	27,000	27,000	25,800	0	1,200
Auto Dealers & Service Stations	21,300	21,000	21,200	300	100
Other Retail Trade	102,500	100,700	102,500	1,800	0
Finance, Insurance, & Real Estate	63,100	63,000	65,100	100	- 2,000
Banking & Credit Agencies	23,400	23,200	24,100	200	- 700
Other Finance, Insurance, & Real Estate	39,700	39,800	41,000	-100	- 1,300
Services	185,400	184,100	188,600	1,300	- 3,200
Hotels & Personal Services	21,100	20,800	23,200	300	- 2,100
Health Services	65,000	65,000	64,800	0	200
Other Services	99,300	98,300	100,600	1,000	- 1,300
Government	198,600	197,900	201,500	700	- 2,900
Federal Government	28,600	28,600	27,200	0	1,400
State Government	52,900	53,000	52,500	-100	400
Education	22,800	22,900	23,100	-100	- 300
Other State	30,100	30,100	29,400	0	700
Local Government	117,100	116,300	121,800	800	- 4,700
Education	75,100	74,700	77,400	400	- 2,300
Other Local	42,000	41,600	44,400	400	- 2,400
Labor-Management Disputes	200	0	0	200	200

1/ Preliminary

2/ Revised

3/ Includes full and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. NOTE: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.

4/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).

5/ The diffusion index is the percentage of a selected group of 43 industries showing an increase in seasonally adjusted employment. Half of those industries showing no significant change (less than 1/2 of 1%) are counted as increasing.

HOURS AND EARNINGS - LONG HEALING PROCESS STARTED

February's manufacturing workweek average for Oregon adds credence to the "slow recovery" theory that is becoming a reality. Hours inched up to 38.3 in February from January's 38.1. Comparison to data from a year earlier (37.8) provides evidence of some noticeable improvement.

As important as the overall change itself is the particular industry responsible for it. Lumber and wood products manufacturers have demonstrated economic improvement not only by hiring or rehiring workers (seasonally adjusted lumber employment has been on the rise the past half year), but also by extending the workweek average. Favorable prices and increased product demand translate to a longer workweek. Indeed, the workweek average of 39.7 is the highest February average weekly hours figure recorded since 1977. Further gratification can be gleaned from the fact that the two largest employing components, logging/sawmills and veneer/plywood, once again exceeded a 40-hour workweek and are substantially above the figures shown a year earlier.

With durable goods hours looking so good, why didn't the overall manufacturing workweek average rise more than just 0.2 hours? It is because nondurable goods took quite a tumble. A drop of 0.9 hours, although significant, is not a cause for alarm. The industry composition is such that nondurable goods is very susceptible to short-term swings in the workweek average. A particularly volatile component is the highly seasonal food processing industry which can swing widely in any given month. Manufacturers of nondurable goods are expected to ride out the recession in comparatively good form. People continue to eat, read newspapers, etc. despite the recession.

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS 1/

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Feb.2/ 1983	Jan.3/ 1983	Feb. 1982	Feb.2/ 1983	Jan.3/ 1983	Feb. 1982	Feb.2/ 1983	Jan.3/ 1983	Feb. 1982
TOTAL MANUFACTURING 4/	$392.96	392.43	369.68	38.3	38.1	37.8	10.26	10.30	9.78
Durable Goods	407.29	405.58	378.86	39.2	38.7	38.0	10.39	10.48	9.97
Lumber & Wood Products	426.38	420.03	380.07	39.7	39.0	36.9	10.74	10.77	10.30
Logging & Sawmills	459.55	456.11	403.65	40.1	39.8	37.1	11.46	11.46	10.88
Veneer & Plywood	424.66	412.16	382.98	40.1	38.7	37.4	10.59	10.65	10.24
Millwork & Struct Wood	313.50	306.45	309.52	38.0	37.1	36.5	8.25	8.26	8.48
Mobile Homes	274.86	271.17	257.21	34.4	34.9	34.9	7.99	7.77	7.37
Other Wood Products	405.47	400.40	342.06	39.1	38.5	35.3	10.37	10.40	9.69
Furniture & Fixtures	243.87	228.72	184.21	34.3	33.1	23.2	7.11	6.91	7.94
Primary Metals	491.10	484.29	496.13	39.1	37.6	40.7	12.56	12.88	12.19
Fabricated Metals	371.00	385.06	361.13	37.1	38.2	37.5	10.00	10.08	9.63
Machinery	403.10	403.26	392.32	38.1	37.9	38.5	10.58	10.64	10.19
Nondurable Goods	352.36	356.85	343.55	35.7	36.6	37.1	9.87	9.75	9.26
Food & Kindred Products	295.48	296.01	302.74	33.2	34.5	36.3	8.90	8.58	8.34
Canning & Preserving	222.01	223.25	249.52	29.8	31.4	34.8	7.45	7.11	7.17
Other Food Products	396.43	395.76	378.46	37.9	38.8	38.5	10.46	10.20	9.83
Textile Mill Products	225.20	206.84	199.65	38.3	35.6	36.7	5.88	5.81	5.44
Apparel	200.39	196.54	181.26	36.5	35.8	34.2	5.49	5.49	5.30
Paper & Allied Products	515.44	534.20	479.40	40.3	41.8	40.8	12.79	12.78	11.75
Printing & Publishing	372.03	372.73	368.89	34.1	34.9	35.3	10.91	10.68	10.45
Construction 4/	532.33	525.27	503.67	31.8	31.7	32.6	16.74	16.57	15.45
Communications & Utilities 5/	441.90	447.72	417.49	38.9	39.0	38.8	11.36	11.48	10.76
Trade 5/	271.21	272.36	276.21	33.4	33.5	34.1	8.12	8.13	8.10
Wholesale Trade	362.78	365.63	373.07	37.4	37.5	38.5	9.70	9.75	9.69
Retail Trade	226.49	224.91	221.20	31.5	31.5	31.6	7.19	7.14	7.00
Banking & Insurance	258.08	254.85	232.82						
State & Local Government	306.15	307.39	291.25						

1/ Figures are average gross hours and earnings of full and part-time workers worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employes only excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

The February hourly earnings figure of $10.26 for total manufacturing was slightly below January's $10.30, but for the "right" reasons. Over 1,700 workers were added to the employment rolls, certainly a positive event. However, their addition to the durable goods category suppressed earnings gains elsewhere. Notable among the gainers were food and kindred products, up $.32, due largely to some winter processing and packaging; printing and publishing, up $.23, a result of widespread gains throughout the industry; and furniture, up $.21, in conjunction with additional overtime work.

Just a word of caution to end this otherwise cheery report. Given the positive trends in the workweek average, the report of significant hiring activity in the lumber sector, etc., one might believe the economic balance has shifted from recession to prosperity. It has not. The cuts inflicted by the recession were too deep and too long to allow a quick return to economic health. Oregon is just starting a long healing process aimed towards full recovery. Just starting, however, is a milestone given the economic climate of the last three years.□

INDUSTRIAL CHANGE

This is the first of two articles analyzing Oregon's changing industry structure. This month's article introduces the concept of change and the events that may lead to change.

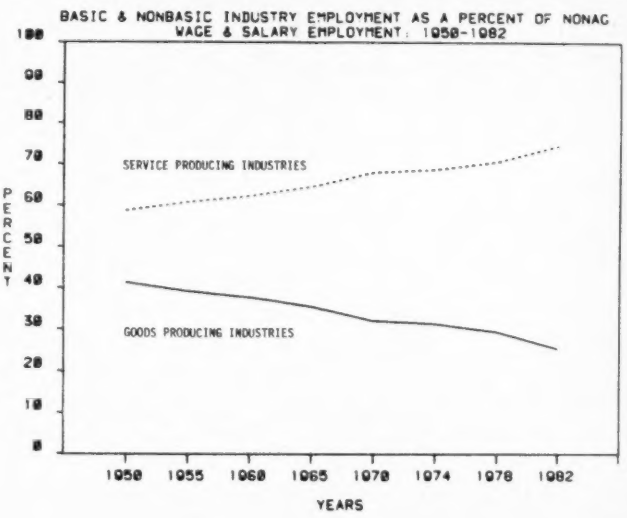
A rising public awareness is evident in the 1980's that social and technological change will materially affect the industrial structure of the state. It is generally agreed that the introduction of new machinery and production processes usually has a direct impact on employment. Such impacts often cause displacement of individual workers and sometimes reduce employment in an industry. There is considerably less awareness, however, that many factors other than technological development also influence the level of employment in specific industries. These may include changes in income and consumption patterns, population change, federal policy and priorities, union-management relationships, the supply of workers, and foreign competition.

The industrial structure of the state in 1983 is a reflection of all of these forces since the end of World War II. Movement from the "Goods Producing" industries (i.e. Manufacturing, Mining and Construction) to the "Service Producing" sectors (i.e., Transportation, Utilities, Trade, Finance, Services, and Government) is illustrated in the following table and graph:

GOODS vs SERVICE PRODUCING EMPLOYMENT
as a Percent of Nonfarm Wage and Salary Employment
(1950-1980)

	Goods	Percent	Service	Percent
1950-1954	170,700	35.2	287,700	64.8
1955-1959	168,500	34.8	315,600	65.2
1960-1964	173,000	32.4	360,400	67.6
1965-1969	202,600	30.9	454,000	69.1
1970-1974	221,700	28.7	551,300	71.3
1975-1979	260,000	26.4	725,100	73.6
1980-1984(p)	235,100	23.6	759,700	76.4

(p) Projected



This table shows the five year average wage and salary employment in the goods and services producing sectors from 1950 through 1980. The drift of the state's economy away from the goods producing industries took place over this 30 year period. In the 1950-1954 period goods producing industries represented over one-third of total nonagricultural wage and salary employment. By the five year period between 1975 - 1979 it had dropped to nearly one-fourth. The dramatic decline occurred even as the total wage and salary employment in the goods producing sector increased over 50 percent during this time. However, the growth in the goods producing sectors was overshadowed by the 58 percent jump in the number of jobs in the service related industries. A shift of this magnitude in the employment shares of the two industry groups occurred because:

- Federal and state policies mandated increased emphasis on social, educational and housing programs.

- Population grew rapidly, more than doubling in the State of Oregon.

- School enrollments more than doubled due to the influx of the World War II "baby boom".
- Spendable incomes rose very strongly encouraging much higher levels of consumer spending.
- Technological advances occurred with increasing rapidity in the 1950's and 1960's with the introduction of computers, integrated circuits, etc.
- Women's labor force participation increased.

Economies such as Oregon's or the nation's show an aging process through changes in their industrial composition. In the early stages of economic development, the concentration of economic activity is largely in agriculture. As the economy develops, the proportion of the labor force in agriculture declines as manufacturing industries come into prominence. Subsequently at higher levels of development the region will experience growth in the service producing sectors at the expense of manufacturing.

Oregon's economy during the growth of manufacturing has been dependent upon increasing national demand for the states commodities. The overwhelming predominence of the national economy must be recognized to understand these industrial changes in the state. The rate of growth of the national economy was the single most important factor determining the level of economic development in Oregon between 1950 and 1980. The prosperity of the state during this period was driven by the export value of Oregon's products to the rest of the nation and the world.

Will this 30 year growth trend continue into the 1980s and 1990s? It is hard to tell at this point because major changes have occurred in the variables that led to the growth between 1950 and 1980. In the long run, the economic viability of the state will depend upon its ability to adapt and change in its industrial configuration to respond to future changes and needs in the national and world economies. The key point that can be made at this time is that the "goods producing" industries will still play a critical role in Oregon's economic health during the rest of this decade. These industries will be the first to react to improvements in the U.S. and world economies - restoring many of the jobs and much of the income lost during 1980-1984.

Next month's issue will examine changes which have occurred in specific industries over the last 30 years.□

1981 COVERED EMPLOYMENT AND PAYROLL DATA NOW AVAILABLE

The annual publication, Oregon Covered Employment and Payrolls, RS Pub 21, is now available for 1981. Tables show employment and payroll data at the four-digit industry level (using federal Standard Industrial Classification codes) for the state and at the two-digit industry level for each of the counties. (Note: quarterly publications were discontinued in 1978). If you have not received a copy and would like to be on our mailing list, please contact;

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OREGON LABOR TRENDS

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